Survey of sick industrial units

*195. DR. MOHD. HASHIM KIDWAI: Will the Minister of INDUSTRY be pleased to state:

(a) whether any survey has been conducted of the industries lying sick at present both in the public sector and the private sector;

(b) if so, what are the details of such a survey; and

(c) whether any plan has been drawn up for revival of these industries and if so, what are the details thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) . (a) and (b) The latest study report by the Reserve Bank of India to analyse the causes of industrial sickness was submitted to Govt. early this year. The Study covered 1200 non-SSI sick units falling in twelve broad industrial groups. The Study indicates that management deficiency is the major contributive cause for sickness. Apart from this, the other causes are market problems, project shortcomings, infrastructural problems, labour problems, obsolescence and financial problems.

(c) A statement giving the policy measures taken to prevent industrial sickness is attached.

Statement

For revival of sick industrial units, Government of India have got a uniform policy for the whole country. Some of the important aspects are as follows:

(i) The Government have enacted a comprehensive legislation namely "The Sick Industrial Companies (Special Provisions) Act, 1985". A quasi-judicial body designated as 'The Board for Industrial and Financial Reconstruction (BIFR)' has been set up under the Act to deal with the problems of sick industrial companies in an effective manner, which has become operational with effect from the 15th May, 1987.

(ii) The Reserve Bank of India have issued guidelines to the banks for strengthening the monitoring systems and for arresting industrial sickness at the incipient stage so that corrective measures are taken in time.

(iii) The banks have also been directed by the Reserve Bank of India to formulate rehabilitation packages for the revival of potentially viable units. The banks and financial institutions evolve rehabilitation packages for the revival of sick units.

(iv) Reserve Bank of India have also issued guidelines separately to the banks indicating parameters within which banks could grant reliefs and concessions for rehabilitation of potentially viable sick units without reference to RBI both in the large and small scale sectors.

(v) Government of India introduced a Margin Money Scheme with a view to supplementing the efforts of the State Governments in reducing the incidence of sickness in the small scale sector. Under the liberalised scheme the maximum amount of assistance per unit available to sick small scale units for rehabilitation has been increased from Rs. 20,000 to Rs. 50,000.

Soviet Assistance for Karnal refinery

*196. SHRI GURUDAS DAS GUPTA:

SHRI CHATURANAN MISHRA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the latest position regarding the setting up of Karnal Oil Refinery;

(b) whether it is a fact that the Soviet Government have sent a revised offer of financial assistance and transfer of technology for the Refinery;

(c) whether they have requested the Indian Government to take an early decision thereon; and

(d) if so, what are the details thereof and what decision Government have taken on the basis of revised offer?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND

NATURAL GAS (SHRI BRAHM DUTT): (a) to (d) In pursuance of the Inter-Governmental agreement dated 24th November, 1987 between the Governments of India and USSR, the Soviet Organisation M|s. Techmashimport had submitted a revised offer on turn-key basis for Karnal Refinery, which is under Government's consideration.

Crisis in Beedi industry due to shortage of tendu leaves

*197. SHRI SURESH PACHOURI: Will the Minister of INDUSTRY be pleased to state:

(a) whether beedi manufacturers are experiencing shortage of tendu leaves as a result of which beedi manufacturing industry is facing a crisis; and

(b) if so, what steps are being taken to save the beedi industry?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) No, Sir, there is no shortage of tendu leaves in the country to meet the requirement of beedi manufacturing industry.

(b) Does not arise.

Shifting of godowns of crude oil and petroleum products from congested areas

*198. SHRIMATI VEENA VERMA:
SHRI KAPIL VERMA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether a working group has been set up by his Ministry to go into the question of shifting the godowns of crude oil and petroleum products from the precincts of refineries and from congested areas so as to reduce the fire hazards; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) and (b) The Government have recently set up a High Powered Committee to review the recent major fire accidents in refineries. The Committee would *inter alia* review the locations layouts and existing facilities in the refineries and would also make recommendations regarding shifting of bulk storage of crude oil and petroleum products to safer locations.

Power generation by Neyveli Lignite Corporation

*199. SHRI S. VIDUTHALAI VIRUMBI:

SHRI V. GOPALSAMY:

Will the Minister of ENERGY be pleased to state:

(a) what is the present power generating capacity of the Neyveli Lignite Corporation;

(b) what are the details of future expansion of plans of the Corporation;

(c) whether any foreign collaboration is being sought for in this regard; if so, what are the details thereof;

(d) by when all the projects under the Neyveli Lignite Corporation are expected to be completed, project-wise; and

(e) how much funds are required for the purpose?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) The present power generating capacity of Neyveli Lignite Corporation is 1230 MW made up of 600 MW of the first thermal power station and 630 MW of the second thermal power station stage I.

(b) to (e) Project for the expansion of thermal power station II raising its capacity from 630 MW to 1470 MW by addition of 4 units of 210 MW each is under construction. The sanctioned capital cost of the project is Rs. 1016.80 crores. The first unit of this project is expected to be commissioned in November, 1990 and the subsequent units at intervals of nine months thereafter. The foreign exchange requirement of the project